United Nations S/2004/679

Security Council

Distr.: General
25 August 2004

Original: English

Letter dated 23 August 2004 from the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities addressed to the President of the Security Council

In accordance with paragraph 8 of Security Council resolution 1526 (2004), I have the honour to transmit herewith the first report of the Analytical Support and Sanctions Monitoring Team established pursuant to that resolution.

I should be grateful if the attached report could be brought to the attention of the Council members and issued as a Security Council document as soon as possible.

(*Signed*) Heraldo **Muñoz**
Chairman
Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

04-46963S (E) 270804

Annex

Letter dated 31 July 2004 from the Coordinator of the Analytical Support and Sanctions Monitoring Team established pursuant to resolution 1526 (2004) addressed to the Chairman of the Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

The Analytical Support and Sanctions Monitoring Team established pursuant to Security Council resolution 1526 (2004) concerning Al-Qaida and the Taliban and associated individuals and entities, has the honour to transmit to you its first report in accordance with paragraph 8 of that resolution.

(*Signed*) Richard **Barrett**
Coordinator

First report of the Analytical Support and Sanctions Monitoring Team appointed pursuant to resolution 1526 (2004) concerning Al-Qaida and the Taliban and associated individuals and entities

Contents

		Paragraphs	*Page*
I.	Summary	1–7	4
II.	Background	8–11	5
III.	The threat from Al-Qaida	12–25	6
IV.	The response	26–72	8
	A. Implementation of the sanctions	27–32	9
	B. Consolidated List	33–44	10
	C. Financial issues	45–60	12
	(a) Alternative remittance systems	54–56	14
	(b) Cash couriers	57–58	14
	(c) Charities and other non-profit organizations	59–60	15
	D. Arms embargo	61–66	15
	E. Travel ban	67–72	16
V.	Monitoring team activity	73–100	17
	A. Support for the 1267 Committee	74–76	17
	B. Analysis of non-reporting States	77–80	18
	C. Analysis of the 43 additional reports	81–83	18
	D. Consultation with States	84–94	19
	E. Cooperation with the Counter-Terrorism Committee and its Executive Directorate	95–96	20
	F. Cooperation with other United Nations bodies	97	21
	G. Country profile database	98	21
	H. Conferences and seminars	99	21
	I. Case studies	100	22
VI.	The second report	101	22
Annex			
	Frozen assets by country		23

I. Summary

1. Five years after the Security Council adopted resolution 1267 (1999), the first that dealt with the Taliban and Al-Qaida, the threat from Al-Qaida-related terrorism remains as great as ever. But the nature of the threat has changed. The Taliban have been removed from power and the Al-Qaida leadership is dispersed. But if the leadership is less able to direct, plan and execute attacks, they have many supporters who are eager to do so. These terrorists form groups that do not wait for orders from above but launch attacks when they are ready, against targets of their own choosing. Using minimal resources and exploiting worldwide publicity, they have managed to create an international sense of crisis.

2. Al-Qaida has evolved to become a global network of groups unbound by any organizational structure but held together by a set of overlapping goals. The leaders of these groups have tried to hijack and distort the basic Muslim duty of Jihad to justify terrorist campaigns against both Muslim and non-Muslim States. Perceived injustices and images of violent confrontation have ensured a steady flow of new supporters.

3. The attacks of 11 September 2001 provided indelible images of the potential consequences of a terrorist attack and led many nations to reappraise aspects of their domestic and foreign policies, and to divert major resources to counter terrorist activity. Other States had already suffered attacks from terrorist groups and had made these adjustments much earlier. The Security Council was also already engaged, but after September 2001 it reflected a greater unity of purpose within the international community, and wider agreement on the need for action.

4. The Security Council has taken a dual approach. It has demanded that States take action against terrorists associated with Al-Qaida through a targeted sanctions regime, and it has established mechanisms to help those States that find it difficult to do so. But Security Council sanctions aimed at curbing the Taliban and Al-Qaida terrorism have achieved less than was hoped. This is partly because they address a set of circumstances that no longer apply; and partly because effective sanctions are hard to design, let alone impose, against the form of Al-Qaida associated terrorism that exists today. The sanctions measures need refining to address the ways the threat has changed.

5. In the absence of an internationally agreed definition of terrorism, Security Council sanctions against the Taliban, Al-Qaida and their associates apply to a List of designated individuals, groups and entities. To be effective, this List should reflect international agreement on which groups and individuals pose the greatest danger. For several reasons, this List has begun to lose credibility and operational value and now needs updating in terms of its relevance and accuracy.

6. While the sanctions against the financing of terrorism have had some effect, and some millions of dollars of assets have been frozen, there is scope to update them based on how Al-Qaida now raises and transfers its money. There is a similar need to improve the travel ban and the arms embargo to reflect current Al-Qaida methodology.

7. In addition the Security Council may wish to consider new measures to enhance international cooperation and to support national efforts. The Analytical Support and Monitoring Team set up to assist the 1267 Committee of the Security

Council has proposals for the improvement of the current measures, and ideas from which new ones might be formulated. It believes it can generate wider support for the List by the introduction of technical improvements and the submission of new names. It also believes it can encourage closer operational cooperation between States to make the international environment still more inhospitable to Al-Qaida-related terrorism.

II. Background

8. In October 1999 the Security Council decided that the threat from Al-Qaida was of sufficient global importance to merit an international response. Accustomed to dealing with States, the Council decided to confront Al-Qaida by denying it the infrastructural support provided by its Taliban hosts. Accordingly it adopted resolution 1267 (1999), by which, inter alia, it introduced a freeze on Taliban financial resources and established a Security Council Committee (the 1267 Committee) to monitor the implementation and effectiveness of the measures imposed.

9. Further attacks claimed by Al-Qaida, and the impunity with which its leaders and supporters continued to live, train and plan operations in Afghanistan, led the Security Council, in December 2000, to adopt resolution 1333 (2000), by which it imposed an arms embargo on the Taliban and a travel ban on its senior officials. It also imposed a freeze on the financial assets of Osama bin Laden and individuals and entities associated with him, as designated by a list maintained by the 1267 Committee.

10. The attacks on the United States of 11 September 2001 strengthened Security Council determination to deal with terrorism. Resolution 1373 (2001) was adopted later that month, by which the Council established the Counter-Terrorism Committee and imposed a binding obligation on States to criminalize the provision of financial and other assistance to all terrorists and their supporters, and sought to increase the capability of States to deal with terrorism, as well as to promote cooperation between them. Subsequently, by resolution 1390 (2002) of January 2002, it extended the financial measures and broadened the travel ban and arms embargo. States were urged to strengthen their laws and procedures to prevent and punish violations of the measures and were requested to report on the steps taken to implement them. By resolution 1455 (2003) it further urged States to report progress, and enhanced the monitoring role of the 1267 Committee.

11. But the attacks continued and the Security Council believed that States could do still more to prevent them. By resolution 1526 (2004), of January 2004, the Security Council further refined the financial measures, travel ban and arms embargo imposed on all those on the 1267 Committee's Consolidated List. It also sought to improve the List. In addition to further strengthening the mandate of the 1267 Committee, the Council established an Analytical Support and Sanctions Monitoring Team (the Monitoring Team) to report at defined intervals on the implementation of the measures by States and to recommend further action for consideration by the Security Council. This is the first such report.

III. The threat from Al-Qaida

12. Despite international efforts, the threat from Al-Qaida terrorism remains as real today as it has been at any time since October 1999. Statements by Osama bin Laden and others on behalf of Al-Qaida demonstrate that their main objective is to bring about political and social change in the Muslim world. They seek to establish a particular form of theocratic government based on a strict application of their own interpretation of Sharia. They distort the teachings of the holy religion of Islam and promise those who adopt their extremist ideology, and violent methodology, a return to a time when the Islamic world was both more powerful and more pure.

13. Attacks on Western targets are designed to serve this purpose; to force the withdrawal of the West from the Islamic world, both to weaken governments that Al-Qaida regards as corrupt and seeks to overthrow, and to remove what they see as a polluting influence. Al-Qaida wishes to promote the idea that Islam and the West are now at war, and that Al-Qaida and its supporters are the true defenders of the faith. This message touches a wound felt by a large number of Muslims in all areas of the world. It appeals to a widespread sense of resentment and helplessness in the face of the West's political and economic hegemony that many believe is intrinsically and determinedly inimical to their interests. Al-Qaida's ability to strike the enemy and survive, despite the disparity in resources, taps into an ill-articulated desire for revenge and gains both recruits and donations.

14. Al-Qaida is currently a global network rather than an organization with a structure and hierarchy. In its early days it was well organized and had a formal membership in that individuals, often on behalf of a group they led, offered allegiance to Osama bin Laden; but it is unlikely that this membership ever totalled more than a few hundred. Al-Qaida's structure provided coordination and support for groups of fighters with certain objectives in common, and supplied troops for the Taliban. Membership of these groups was almost invariably determined by ethnic origin. Very few individuals have been enrolled to conduct terrorist operations under central Al-Qaida control, and although the leadership was at one time directly involved in terrorist operations, and was ready to discuss operational plans with its supporters and to offer them financial support, increasingly it withdrew from direct supervision and merely encouraged whatever activity promoted its objectives.

15. Before 2001, associated groups might nonetheless have sought central approval before launching an attack. But the ability of Al-Qaida to direct a global campaign of terror was considerably reduced once the Taliban were ousted from power in Afghanistan and the Al-Qaida leadership was forced to disperse. Increasingly, those who sought approval were told just to do what they could when they could. Recent evidence suggests that the key leadership is too preoccupied with its own immediate problems of survival to offer more than general guidance.

16. This is not to say that the Al-Qaida leadership does not retain the intention to organize further spectacular attacks, or that it will be unable to recover the capability to do so if it is able to regroup. The leadership, through its statements, still offers strategic direction even though it leaves tactical decision-making to its supporters. Sophisticated use of the media ensures that Al-Qaida is able to preserve a clear ideological core, and that Osama bin Laden retains his position as an inspirational leader, hovering somewhere between myth and reality.

17. The Al-Qaida inspiration is both practical and religious. Any group that shares its political objectives and religious beliefs, and has the necessary initiative, resources and determination, can mount attacks in its name, using similar methodology. It is now popular to refer to "franchise" or "start-up" operations whereby groups with little or no direct contact with the central leadership can become affiliates.

18. The group responsible for bombing commuter trains in and approaching Atocha Station in Madrid on 11 March 2004 provides an example of this. A statement by Osama bin Laden in October 2003 had identified Spain as a target for attack and this seems to have inspired those responsible. But the Spanish authorities say they have discovered no clear evidence of any organizational link between the group and the Al-Qaida leadership. As a further indication of how the threat has evolved, these attacks were carried out by people who were relatively well established and integrated within their community, and were not considered by the Spanish authorities to pose an imminent threat. None had been to Afghanistan.

19. Although Al-Qaida statements continue to encourage attacks against Western targets, there has been a marked increase in attacks against local targets in Muslim countries, most notably in Saudi Arabia. Saudi Arabia has been a focus for Al-Qaida from the start but now appears to have become an operational front line with determined terrorists pitched against equally determined security forces. Terrorist attacks there are designed to disrupt the economy and destabilize the State so as to create a sense of anarchy and general discontent leading to widespread insurgency and the overthrow of the government.

20. While attacking Saudi Arabia represents an immediate Al-Qaida objective, other States in the Arabian Peninsula and beyond are also vulnerable. As there is no Muslim State that aims to introduce the sort of government that the Al-Qaida leadership would endorse, all are potential targets. The number of North Africans involved with, or supporting Al-Qaida-related terrorism, puts those countries at particular risk.

21. Currently Iraq also provides a focus for Al-Qaida activity and propaganda. To those ready to believe it, the coalition presence there appears to confirm much of what Osama bin Laden has predicted about the ambitions of the West. Although there is no good evidence to suggest that Osama bin Laden and the Al-Qaida leadership have any direct involvement in Iraq, nor any operational control of groups operating there, attacks in Iraq by supporters of Al-Qaida not only contribute to Al-Qaida objectives, but the publicity surrounding them encourages others elsewhere to mount attacks. For example, although Iraq has provided an attractive alternative to fighters who might otherwise have gone to Afghanistan, the Afghan authorities note a correlation between the levels of activity in Iraq and the number of attacks in their own country.

22. Afghanistan was an important base for Al-Qaida before the Taliban were removed from power in November 2001. Authorities in both Afghanistan and Pakistan believe that the Taliban and Al-Qaida leaderships are still closely allied, but what evidence is available does not suggest much mutual support beyond assistance with local needs. Despite some financial help, the Afghan authorities see no evidence of direct Al-Qaida involvement in Taliban operations. Although the Afghan Government believes that many younger Taliban now question the determinedly anti-progress policy of their leaders, and have begun to withdraw their

support, the Taliban remain a real threat to the reconstruction and stability of the country and their containment remains an important objective. Should the Taliban establish firm control over areas of the country, it is highly likely that they would once more offer Al-Qaida a safe haven from which to mount terrorist operations.

23. Although Al-Qaida may no longer enjoy a fixed base from which to direct its attacks, its ability to inspire acts of terror throughout the world seems limited only by the appeal of its message. Not only is the Al-Qaida leadership highly adept at the use of the media to advertise and reinforce its presence, it is also expert at exploiting modern technology and the global connectivity offered by the Internet. Apart from allowing fast and secure communication for terrorist planning, the Internet enables Al-Qaida to transmit its message to all corners of the world. This message, playing to a strong sense of injustice in the Muslim world, argues that it is the duty of every Muslim to join the battle being waged against the enemies of Islam. While it is mainly younger men who answer the call, it is striking that the appeal is equally powerful regardless of education, social background or wealth.

24. While individuals such as Osama bin Laden have a symbolic value and strong inspirational image, the survival of Al-Qaida no longer depends on its core leadership. While international action against the senior Taliban proved possible and effective, even without Osama bin Laden and the rest of the best-known Al-Qaida leaders, the threat would remain. The relevance of the Taliban was that they provided Al-Qaida in Afghanistan with the means and space to flourish. But Al-Qaida has been able to take root wherever favourable conditions exist; it will inevitably colonize States where central government tolerates its presence, or where central government is weak. Failed and failing States provide ideally fertile ground for the Al-Qaida inspiration to take hold, and will equally attract outsiders who seek a safe base from which to mount operations.

25. There is no prospect of an early end to attacks from Al-Qaida-associated terrorists. They will continue to attack targets in both Muslim and non-Muslim States, choosing them according to the resources they have available and the opportunities that occur. While they will look for ways to attack high profile targets, soft targets will be equally vulnerable.

IV. The response

26. Effective action against Al-Qaida requires the international community to act in concert, both in its appreciation of the threat and in its willingness to combat it. As a global phenomenon, Al-Qaida demands a global response, and the Security Council, given its responsibility for the maintenance of peace and security, has taken a leading role in the international arena by imposing a sanctions regime against its members and associates. The sanctions regime established under the 1267 Committee of the Security Council has aimed to promote a climate in which Al-Qaida will have difficulty raising, accessing and moving money, purchasing arms and crossing international borders. Its effectiveness depends on the real and sustained support of all Member States.

A. Implementation of the sanctions

27. In order to measure the support given to the fight against the Taliban and Al-Qaida-related terrorism, and to encourage a continued commitment, Member States were required by resolutions 1390 (2002) and 1455 (2003) to report on their implementation of the sanctions regime. The reporting process was not intended as an end in itself, but designed to reveal the legal and administrative measures taken to implement the sanctions, as well as to report investigations, frozen assets and other enforcement action directed against the individuals and entities named on the Consolidated List. The reports submitted by Member States are currently the only indicator of their compliance with the resolutions.

28. As of late July 2004, 130 Member States had submitted reports pursuant to paragraph 6 of resolution 1455 (2003). While many States reported action taken against Al-Qaida, few offered specific details, or referred directly to those named on the Consolidated List maintained by the 1267 Committee. Although the true number of countries where Al-Qaida has a presence is most certainly higher, just 19 States recorded the presence of any individual or entity associated with Al-Qaida inside their borders.

29. Thirty-four Member States have reported freezing assets under the financial and economic assets sanctions imposed by the Security Council, though in some cases it has been hard to tell what this means.[1] It is not clear from all reports of asset freezing, for example, what those assets are, their value, or who owns them. There are also inconsistencies between what some States have reported to the 1267 Committee and what they have reported to the Counter-Terrorism Committee. No State has reported stopping anyone on the 1267 Committee Consolidated List from travelling, or reported taking action against them in respect of the arms embargo.

30. Judging by the reports from Member States, and the continuing levels of Al-Qaida activity, it would appear that the sanctions regime imposed by the Security Council has had a limited impact. There appear to be several reasons for this, the most important being that the Security Council has, inevitably, reacted to events, while Al-Qaida has shown great flexibility and adaptability in staying ahead of them. The structure of Al-Qaida has evolved from its original form as an office offering support to fighters in Afghanistan, through its role as an initiator and sponsor of terrorism from an established base, to its current manifestation as a loose network of affiliated underground groups with certain goals in common. It will always be difficult to design, let alone enforce, sanctions against diverse groups of individuals who are not in one location, who can adopt different identities, and who need no special equipment to launch their attacks.

31. This may have led some Member States to question the efficacy and relevance of the sanctions. They may have found it easier in the circumstances to incorporate the sanctions regime into their national legislation than to ensure its effective implementation on the ground. Countries with weak financial controls, or long porous borders, may regard the measures imposed by the Security Council as too difficult to enforce and of secondary importance to other counter-terrorism activity within their jurisdiction.

[1] The annex provides a table based on information contained in the reports submitted by Member States, excluding four that were marked confidential.

32. In consultation with Member States, the Monitoring Team will recommend to the 1267 Committee better ways to judge the effectiveness of Member States' implementation of the sanctions regime, and its impact.

B. Consolidated List

33. In addition to the common problems associated with a sanctions regime against non-State actors, the Security Council has faced the further problem of seeking action against individuals whose full identity and whereabouts are uncertain. Much has depended on States submitting the names of Al-Qaida and Taliban associated individuals and entities for inclusion in the Consolidated List maintained by the 1267 Committee. The List is key to making the sanctions effective and most Member States consider the appropriate circulation of the List as the most important first step in implementing the measures imposed by the Security Council.

34. Both the impact and the credibility of the Security Council's work against Al-Qaida and the Taliban depend on the content and utility of the List. In paragraph 16 of resolution 1526 (2004) the Council "Reiterates to all States the importance of proposing to the Committee the names of members of the Al-Qaida organization and the Taliban or associated with Osama bin Laden and other individuals, groups, undertakings and entities associated with them for inclusion in the Committee's list, unless to do so would compromise investigations or enforcement actions". So far 21 States have submitted names for inclusion on the List, which currently comprises 143 individuals and one entity associated with the Taliban, and 174 individuals and 111 entities associated with Al-Qaida. The number of contributors to the List suggests that many States are reluctant to provide names. Issues of due process may be holding some States back, as may concerns over the definition of Taliban and Al-Qaida. In addition, the List has had to avoid accusations of political point scoring, and of subjectivity to any particular agenda.

35. The List, however, can only be truly useful if it achieves international acceptance as a register of the key components of the Al-Qaida network. In the absence of an agreed definition of terrorism, the Consolidated List provides the only consensus on what Al-Qaida comprises. As Al-Qaida changes, so too should the List. It should reflect the views of a wider range of States on which individuals and groups present the most immediate threat. The addition of new names, subject to the agreement of the 1267 Committee, would update international awareness of the nature of the threat, and add momentum to international efforts to combat it.

36. Almost all States have lists of people and groups subject to investigation as potentially or actually involved in terrorism. Though clearly they may not wish to make all these names public, some States have recently agreed to consider submitting new names for inclusion on the List, and the Monitoring Team recommends that others follow suit. This will not only make the List a more efficient tool in the fight against terrorism, but also make it more relevant to a wider perception of the current threat.

37. Apart from its relevance, a further key factor governing the utility of the List is its accuracy. Several States have drawn the Monitoring Team's attention to technical and practical problems with the List. Many entries lack basic identifiers, such as date of birth, nationality and passport information, which makes enforcement action virtually impossible. Several States have also noted inconsistencies and inaccuracies

in the spelling and transliteration of names, and seek a standard approach. If immigration officials are required to make multiple checks for each entry, this will affect their efficiency and increase the scope for error.

38. In March 2003, the 1267 Committee issued a reformatted version of the List to provide identifying information on the designated individuals and entities in a more systematic manner. In addition to reclassifying information in a more consistent way, names were presented in the order they appeared in the passports of the targeted individuals. To encourage the widest possible distribution of the List, updated versions were also posted on the Committee's web site, with explanatory information available in all six official languages of the United Nations.

39. The Monitoring Team sees a need for further technical correction to about one third of all entries, and will submit recommendations to the 1267 Committee. In addition, it will recommend that, where names are too vague to allow effective application of the sanctions, they should be removed from the List until sufficient detail is available.

40. In paragraph 17 of resolution 1526 (2004) the Council "Calls upon all States, when submitting new names to the Committee's list, to include identifying information and background information, to the greatest extent possible, that demonstrates the individual(s)' and/or entity(ies)' association with Osama bin Laden or with members of the Al-Qaida organization and/or the Taliban, in line with the Committee's guidelines". In consultation with the Committee and the Secretariat, the Monitoring Team has therefore sent letters to the 80 Member States that have either submitted names or have some connection to them, such as nationality, requesting that they examine the entries for accuracy and completeness. The Team believes that several entries could be updated. The Monitoring Team also plans to consider how a Member State other than the designating State might submit updating information and how this could be processed by the Committee.

41. A further issue that needs resolution is the procedure by which a name may be removed from the List, whether by a listing State, or as a result of appeal by the individual or entity concerned. Subject to the agreement of the Committee, the Monitoring Team plans to examine current de-listing procedures, especially concerning appeals against listing submitted by individuals or entities that have difficulty in doing so through their governments.[2] This issue is allied to the more general issue of due process.

42. The Monitoring Team would not recommend automatic de-listing but, to preserve the credibility of the List, there should be a way to remove the names of dead persons as soon as circumstances allow. The Team also recommends that there should be an agreed process whereby Member States notify the 1267 Committee when someone on the List is detained, and share internationally any useful information that results from their investigation.

43. In paragraph 19 of resolution 1526 (2004) the Council stipulates that the Secretariat should supply Member States with an updated copy of the List every three months. Some Member States have asked the Team if the Secretariat could circulate just the changes without sending the entire List so that they need not translate it in full each time they receive it. The Monitoring Team recommends this

[2] Since the inception of the list only 4 individuals and 11 entities have been de-listed.

course of action and will discuss with the Committee how it might offer further advice and assistance on the addition and removal of names.

44. The Monitoring Team will continue to discuss the utility of the List with Member States. The Team recommends that national authorities ensure that security and intelligence agencies are aware of the List and its purpose, as well as those with responsibility for the enforcement of the sanctions. The Team will also seek further suggestions as to how entries might be standardized and the general format of the list improved. The Monitoring Team will also look at the sections of the Committee's guidelines that are relevant to the List, and recommend revisions if appropriate.

C. Financial issues

45. Al-Qaida operations are not characterized by high cost. Only the sophisticated attacks of 11 September 2001 required significant funding of over six figures. Other Al-Qaida terrorist operations have been far less expensive. The simultaneous truck bombings of the United States embassies in Kenya and the United Republic of Tanzania in August 1998 are estimated to have cost less than $50,000; the October 2000 attack on the USS *Cole* in Aden less than $10,000; the Bali bombings in October 2002 less than $50,000; the 2003 bombing of the Marriott Hotel in Jakarta about $30,000; the November 2003 attacks in Istanbul less than $40,000; and the March 2004 attacks in Madrid about $10,000. While the centre may have provided some of this money, much of it will have been collected locally, whether through crime, or diverted from charitable donations.

46. As a result of national and international action, Al-Qaida's funding has decreased significantly. But so too has its need for money. The number of people in camps under Al-Qaida control is now far less, and Al-Qaida no longer pays the $10-20 million annually that it gave to its Taliban hosts. The only evidence of current payments to the Taliban available to the Afghan authorities is the $200 per month paid to the families of Guantanamo detainees.

47. But Al-Qaida will still need to raise and move money and, as the identities of Al-Qaida facilitators become known, the new and improved regulations will enable the appropriate authorities better to track their contacts and trace the sources and destinations of their funds. According to the reports submitted by Member States under resolution 1455 (2003), a legal basis for freezing assets related to Al-Qaida, the Taliban and associated groups and entities now exists in all but three Member States.

48. The Monitoring Team is concerned though that many States have merely amended anti-money-laundering legislation to cover terrorist crime as well. As terrorist-related financial transactions generally take place before the crime occurs, States may encounter problems when applying to terrorist financiers measures designed essentially to deal with the proceeds of crime. The Monitoring Team will look further at this issue.

49. The current focus of the international community on countering terrorist financing through the formal banking system has successfully led to the identification of individuals collecting or moving funds on behalf of suspected terrorists. These successes will encourage Al-Qaida and its associates to seek

alternative means to raise and move their assets in ways that are less open to scrutiny, adapting their methods to suit local circumstances. For example, Al-Qaida may exploit the well-established trade in counterfeit currency in Somalia, just as they exploit the potential for credit card fraud in Western Europe and the Asia/Pacific region, and appear to benefit in some part from the drug trade in Afghanistan and North Africa. It is important that officials working on regulation are in close contact with officials investigating Al-Qaida methodology on the ground.

50. There are some 32 international and regional organizations working to establish standards and agree policies to combat terrorist financing. At present, the most comprehensive regulatory regimes are those in greatest compliance with standards set by the Financial Action Task Force (FATF) 40 recommendations on Anti-Money-Laundering and eight special recommendations on Counter-Terrorist Financing. However, FATF does not attract universal support and cannot by itself achieve a properly supervised global regime for the financial sector. International financial regulation to combat terrorism is only as strong as its weakest link and there remain gaps in the universal application of recognized standards. Work should continue on achieving full acceptance.

51. Over 90 States have set up Financial Intelligence Units and in many cases these have assisted national efforts to identify Al-Qaida finances. Financial Intelligence Units analyse Suspicious Transaction Reports submitted by banks and other entities as part of national efforts against money-laundering and counter-terrorist financing. These units can play an important role in linking the work of the regulatory authorities with the work of the agencies investigating terrorism at the front line. They can also assist in ensuring that bankers dealing with financial transfers know what activity to look out for.

52. The Monitoring Team will also recommend to the Committee that Member States should circulate the Consolidated List beyond their banks to non-bank financial institutions and to any non-financial entities[3] where assets might be held.

53. With the help of Member States, the Monitoring Team will study how Al-Qaida is now raising, holding and moving money in order to identify ways in which the financial measures might be made more effective. It will seek to identify ways in which investigating bodies can pass to the relevant regulatory authorities new information on Al-Qaida associated terrorist financing as early as possible. The Monitoring Team will also continue its engagement with other international organizations dealing with terrorist financing with a view to making recommendations to the 1267 Committee for possible further measures.

(a) Alternative remittance systems

54. Alternative remittance systems such as *hawala* are used extensively all over the world and provide a quick and cheap way to transfer money. There is a clear potential for their abuse by Al-Qaida-associated terrorists but few States have

[3] Non-bank financial institutions typically cover companies such as insurance, pensions, leasing, securities brokers, mortgage providers, financial advisory, credit unions, credit card providers, etc. Non-financial entities include accountants in practice, attorneys, trust administrations, business registration offices, tax authorities, automobile dealers, dealers in antiques and artwork, dealers in precious commodities, real estate agents, and travel agents.

reported action to regulate them. Some States require businesses that offer informal banking services to obtain a licence, the requirements for which often include obligatory record-keeping and the identification and reporting of suspicious transactions. But there are real difficulties in enforcing regulation of these alternative systems, or even in keeping track of their existence.

55. The vast majority of *hawala* transactions are, of course, legitimate, and the service provides an essential means to remit money at modest cost. Where official banking systems do not exist, or charge rates that are unattractive, quicker and cheaper alternatives will always emerge. In a recent report[4] the World Bank recorded that there were between 500 and 2,000 unregistered money exchange dealers in Afghanistan alone, conducting money transfers between Kabul, Peshawar, Dubai and London. The report also noted that international and domestic non-governmental organizations, donors and development agencies were using *hawala* to deliver humanitarian relief and development aid in and around Afghanistan and that single transactions in excess of $500,000 were not uncommon, especially between Kabul and Peshawar.

56. Unregulated systems such as *hawala* have long been attractive to those who wish to keep their financial dealings away from the close scrutiny of the authorities, and regulators must avoid causing the creation of new informal systems that are even less easy to detect. The Monitoring Team will look at this issue further, but believes that States should seek ways to increase their oversight of these transactions and raise the awareness of the owners of such businesses of the potential for abuse by terrorists.

(b) Cash couriers

57. The apparent increase in Al-Qaida use of cash couriers led the Security Council in paragraph 5 of resolution 1526 (2004) to urge all States and encourage regional organizations, as appropriate, to establish internal reporting requirements and procedures on the trans-border movement of currency. Initial research by the Monitoring Team on this issue has shown that although many States have regulations governing the trans-border movement of currency by individuals, there is no universal standard on the amounts to be declared. Some have different requirements governing residents and non-residents, and distinctions between local and foreign currencies. In some areas, where it is common for most transactions to be conducted in cash, the movement of relatively large amounts is not remarkable and attracts little scrutiny.

58. The Monitoring Team will consult appropriate national and international bodies to assess the extent to which Al-Qaida associated terrorist groups use cash couriers, and recommend ways to make this method of transferring money less attractive. This may require a legal and regulatory framework, mechanisms to share information internationally to enable passenger targeting, and enhanced capabilities at borders.

(c) Charities and other non-profit organizations

59. Al-Qaida's exploitation of charities and other non-profit-organizations as a way to raise and move money has led some States to introduce licensing and better

[4] The Financial Sector in Afghanistan, Managing the Post-conflict Reform Process issues in 2004.

regulation of these bodies, such as by requiring complete records of activity, full reporting of the dispersal of assets and the independent audit of accounts. Several States have enacted legislation to prevent the abuse of charities, some have restricted the automatic granting of charitable status, and others have closed down charities that were being exploited by terrorist groups.

60. Among States that have taken action against the abuse of charities, or plan to do so, are Egypt, the Libyan Arab Jamahiriya, Pakistan, Saudi Arabia and the United Kingdom. The Monitoring Team will consult these and other States and make recommendations based on their experience. It will in particular aim to identify ways to curb the exploitation of charities that do not impede their humanitarian operations.

D. Arms embargo

61. An arms embargo is a traditional tool employed by the Security Council in seeking to maintain international peace and security. The Al-Qaida/Taliban arms embargo, initially established to curtail support for the Taliban, was refocused following the fall of their regime on the acquisition and the use of weapons and explosives by Al-Qaida. The measures were also intended to provide a legal basis for those countries that had not enacted legislation governing the control of arms and explosives and to establish some common standards. Such legislation would reduce arms trafficking as well as establish a judicial basis for future proceedings against members and associates of Al-Qaida.

62. From their reports, it appears that most Member States believe that they have achieved effective implementation of the arms embargo by incorporating the measures into existing legislation. But most Al-Qaida-related terrorist attacks have involved arms and explosives not covered by the measures. One of the hallmarks of Al-Qaida is the simplicity of its methodology, whether through the use of conventional means of transport as bombs, or of readily available items as weapons. The Madrid bombers did not use military products, but mining explosives, and cell phones as detonators. The attackers of a residential compound in Khobar, Saudi Arabia, in May 2004, used small arms and knives.

63. The difficulty of ensuring an effective arms embargo on Al-Qaida is self-evident. But Member States can restrict the scale of Al-Qaida-associated terrorism by impeding their access to larger weapons systems, and restricting their ability to construct non-conventional bombs designed to cause mass casualties. There is evidence that Al-Qaida remains interested in acquiring the means to construct bombs that would disperse a chemical, biological or radiological pollutant, and the threat to use such a device was repeated, albeit obliquely, in a communiqué from the Abu Hafs Brigade, an Al-Qaida offshoot, on 1 July 2004.

64. To do so, Al-Qaida must acquire both specialist materials and the necessary expertise to use them, particularly in the case of a radiological device. Al-Qaida-related groups have tried at least twice to buy the basic ingredients for a dirty bomb and a good deal of the necessary technical knowledge is available on the Internet. There is a real need therefore to try to design effective measures against this threat.

65. The Monitoring Team proposes to look at this problem in conjunction with other international bodies. It will draw on existing analysis of the availability of components for unconventional types of weapons, and the expertise needed to construct them, to see what recommendations it might make to reduce the threat of Al-Qaida terrorists launching such an attack. It will look at national requirements to register the sale or purchase of materials from which Al-Qaida might construct large explosive devices to see what scope there might be for an international regime. The Monitoring Team intends to follow closely the work of the Committee established by Security Council resolution 1540 (2004) and will explore potential areas for cooperation.

66. The Monitoring Team will also recommend adding to the Consolidated List the names of individuals and groups found to be supplying Al-Qaida-associated terrorists with material or expertise to construct weapons designed to cause mass casualties.

E. Travel ban

67. The travel ban imposed by resolution 1333 (2000) and enhanced by resolution 1390 (2002) has targeted the individuals named on the 1267 Committee's Consolidated List. Unfortunately, the lack of detail in many entries on the List makes it difficult for border officials to be certain that any specific traveller is subject to the ban, even supposing that he is travelling in his true identity. These difficulties may have undermined the determination of some Member States effectively to incorporate the List into their border controls.

68. In view of the Taliban and Al-Qaida's proven ability to adapt and to evade the measures imposed by the Security Council, and considering the porous nature of most borders, it is not surprising that the implementation of the travel ban has appeared to have little or no effect on their activities. The ability of the terrorists to acquire identity documents, and to avoid border controls, exceeds the capability of Member States in many regions of the world to impose effective restrictions. In one Western European country a group of Al-Qaida-associated terrorists is well known to other groups to be able to supply false passports in almost any nationality for less than $500. Similar groups with an ability to forge identity documents at low cost exist in many other areas of the world.

69. Long porous borders present their own problems. But the absence of effective visa regimes in some areas of the world, and the lack of modern technical equipment in consular offices and at border control points where they do exist, have also undermined the travel ban. While there is no credible evidence that Al-Qaida-associated terrorists seek help from people smugglers, the extent of human trafficking demonstrates the current looseness of border controls.

70. The Monitoring Team notes the need for better distribution internationally of information on stolen or lost travel documents, and for the introduction of border control systems linked to databases that make the use of forged documents more difficult. Ultimately, there should be an extensive international database of forensic information on Al-Qaida-associated terrorists to include DNA and fingerprints to help States uncover the real identity of suspects stopped at borders.

71. Member States may also be unsure of what they should do if they stop a listed individual at a port of entry. The resolution gives no precise instructions on this and the Monitoring Team recommends that the 1267 Committee provide guidance to Member States. The Committee may like to consider whether the Security Council should require Member States to detain and prosecute such individuals, or invite the listing State to initiate extradition proceedings.

72. With the help of national authorities, the Monitoring Team will analyse how and where Al-Qaida and its associates are moving across borders and draw up recommendations for further consideration by the Committee. In conjunction with the Counter-Terrorism Committee Executive Directorate, it will identify which States are most in need of assistance in enhancing their border controls, and which States are most advanced in designing them. It will also consider recommending that those who facilitate terrorist travel should be added to the Consolidated List as associates of Al-Qaida.

V. Monitoring Team activity

73. The Monitoring Team has been guided in the first months of its work by the need to address the priority tasks listed in resolution 1526 (2004) and its annex.

A. Support for the 1267 Committee

74. In the work plan it submitted to the 1267 Committee in April 2004, the Monitoring Team committed itself to support the Committee in promoting the effective implementation of the sanctions measures, recommending ways to make those measures more effective, and suggesting new measures for the Security Council to consider by the end of its mandate in 2005. The Monitoring Team also agreed to keep the Committee closely informed of its work, its findings and its proposals on a regular basis. In this respect, the Monitoring Team has attended the meetings of the 1267 Committee whenever invited, and has briefed its members on its activities.

75. The Monitoring Team will also help the Committee to prepare for the Security Council a written assessment of all reports submitted by States pursuant to resolution 1455 (2003), commenting on the quality of the reports, the nature of the information they contain and the value of the exercise, in order to make recommendations for the future and to help identify where States might do more to support the international effort against the Taliban and Al-Qaida.

76. The Monitoring Team has provided support to the Chairman of the 1267 Committee in relation to his consultative visits to a number of Member States. A member of the Monitoring Team accompanied the Chairman on his trip to Algeria, Tunisia, Spain and Senegal from 1 to 8 May 2004, and provided briefing notes, talking points and other assistance for his meetings. The Chairman acknowledged the value of this support at the 4976th meeting of the Security Council on 25 May 2004, and the Team looks forward to providing further, similar support in advance of future trips.

B. Analysis of non-reporting States

77. At the request of the 1267 Committee and pursuant to paragraph 23 of resolution 1526 (2004), the Monitoring Team provided an analysis of why 65 Member States had failed to report as requested under resolution 1455 (2003) by the extended deadline of 31 March 2004. It should be noted that some of these States had also failed to submit a report on their implementation of the sanctions measures as requested by resolution 1390 (2002).

78. In preparing its analysis, the Monitoring Team observed several common trends. First, the Monitoring Team found that the lack of a report from a State did not necessarily denote any lack of will to produce one or, more importantly, any lack of commitment to the international effort against Al-Qaida and the Taliban. Secondly, an important reason for non-reporting has been the complexity and volume of reports required from Member States which clearly lack the capacity to produce them. Also some States not only lack the human resources necessary to produce reports, but also the national supervisory and coordination mechanisms needed to gather the information required. **There is a particular need for some States to bring their national agencies responsible for counter-terrorism into the reporting process.**

79. Other Member States had the impression that because they had submitted reports to the Counter-Terrorism Committee, which also detailed the action they had taken in relation to Al-Qaida sanctions, they had satisfied their reporting obligations in relation to the 1267 Committee. Others took the view that, as the Al-Qaida issue was not of direct national concern, there was no need to give a high priority to the reporting requirement. This was also true for States that were either new countries, or had recently emerged from major conflict.

80. The Monitoring Team has been mandated by the 1267 Committee to continue to encourage those States that have not yet submitted their resolution 1455 (2003) report, to do so. This would help ensure that the overall assessment of reports to be submitted to the Security Council presents a full and accurate picture of what Member States have done to implement the sanctions regime. **To date, of those States listed as non-reporting in May 2004, four[5] have now submitted reports. A further eight States[6] have undertaken to do so as soon as possible.**

C. Analysis of the 43 additional reports

81. The Monitoring Team also had the immediate task of analysing 43 new reports[7] submitted by Member States pursuant to paragraph 6 of resolution 1455 (2003) between 30 October 2003, when its predecessor Monitoring Group produced its report, and the cut-off point of 27 April 2004. As the 43 reporting States represent less than a quarter of the membership of the United Nations, the Monitoring Team hesitates to do more than draw some preliminary conclusions.

82. The Monitoring Team found a great variation in quality in these new reports. Most seemed to have been completed as a necessary chore rather than as a useful tool in gauging the international response to the threat from Al-Qaida. Many were

[5] Libyan Arab Jamahiriya, Oman, Palau and the Sudan.

[6] Ethiopia, Fiji, Niger, Nigeria, Madagascar, Mali, United Republic of Tanzania and Uruguay.

[7] Cross-reference is also made to the section in this report entitled: "Implementation of the Sanctions".

descriptive and did not provide precise details of the action taken on the ground to implement the sanctions regime, or provide other useful information that addressed the questions asked.

83. The Monitoring Team believes the reporting culture of Member States is partly to blame, in that States find it easier to report what has been done politically rather than at the operational level. But had the questions shown more relevance to the actual situation in individual Member States, they would no doubt have elicited a fuller response. The questions asked also appeared to overlap in some cases with the reporting requirements of the Counter-Terrorism Committee, adding to the confusion as to where the boundaries between the two Committees lie. Some of the answers provided by States appeared to be more relevant to the Counter-Terrorism Committee than to the sanctions regime monitored by the 1267 Committee. **The Monitoring Team will propose ideas for a more focused questionnaire for consideration by the Committee.**

D. Consultation with States

84. A key objective for the Monitoring Team is to further and deepen its engagement with States so as to understand better how the Al-Qaida threat is perceived, how the measures are judged as a way to counter the threat, and what difficulties arise from their application. **The Team also aims to consult a wide range of national authorities directly engaged in the fight against terrorism** in order to develop ideas as to what further measures it might be useful for the Security Council to consider.

85. The Monitoring Team sees it as a first priority to visit States that face a particular threat from Al-Qaida and the Taliban, and some others that have developed a particular understanding of Al-Qaida methodology and organization. **To develop new ideas, the Monitoring Team proposes to bring together a small group of professionals from States with experience, expertise and some measure of success in dealing with the problem.**

86. Several States have already mentioned the issues of asylum and the difficulty of dealing with terrorists in one State who are plotting action in another. Subject to further consideration of the legal issues, the Monitoring Team **recommends** to the 1267 Committee that a new measure might include international agreement that no country should offer asylum to anyone named on the Consolidated List.

87. The Monitoring Team also aims to engage States that through a lack of capacity or for other reasons make less of a contribution to international efforts against Al-Qaida-associated terrorism than they might. It will work closely in this respect with the Counter-Terrorism Committee Executive Directorate and others to identify and, if possible, remove the barriers to cooperation.

88. Before visiting a Member State, the Monitoring Team will ensure that it has consulted fully with its Mission in New York on the objectives, schedule of meetings and timings of the visit. The Monitoring Team also intends to establish close working relations with regional bodies engaged in the fight against Al-Qaida-associated terrorism and is keen to respond to invitations from States that would like a greater engagement with the work of the Committee.

89. The Monitoring Team has so far visited Afghanistan, Pakistan, the Libyan Arab Jamahiriya, Egypt, and the United Kingdom and, with the Chairman of the 1267 Committee, Algeria, Tunisia, Morocco and Spain. With the agreement of the States concerned, and in no order of priority, it also plans to visit other countries in Central Asia, West Africa, the Middle East, South-East Asia, Europe and the Americas.

90. During its visits, the Monitoring Team has met both national bodies responsible for oversight of the sanctions regime, and those that are engaged operationally in counter-terrorist work. States were able therefore to provide the Team with their assessment of the threat from the Taliban and Al-Qaida-associated terrorism, as well as with information on the difficulties they have experienced in implementing the sanctions regime. The Team found great willingness in the States visited to assist the Security Council's work and to find new ways in which the international effort might add value to their own national efforts.

91. The Monitoring Team heard at first hand what the Afghan and Pakistani authorities were doing to clear their border areas of Taliban and foreign fighters, and saw for themselves some of the difficulties involved. Both States recognized the need to cooperate in this work. The Afghan authorities reiterated their need for greater international military assistance, while the Pakistani army provided a convincing demonstration of their determination to take lasting control of the border areas and to provide the necessary infrastructure to integrate the population with the rest of the country.

92. The Monitoring Team found the operational agencies in Egypt and the Libyan Arab Jamahiriya willing to draw on their extensive experience of Al-Qaida-associated terrorism to help find ways to promote more effective international cooperation. In Egypt the National Committee for Combating Terrorism demonstrated the value of coordinating all concerned government bodies so that policy makers had a full picture of the threat and national measures were both practical and effective. The National Committee also discussed with the Monitoring Team ways to further international cooperation.

93. In the United Kingdom the Monitoring Team found the authorities determined to contribute where they could to the international effort against terrorism, while being fully aware of the pressing nature of the threat nationally.

94. **The Monitoring Team intends to continue and develop its dialogue with the countries that it has visited and to brief the 1267 Committee in full on the nature of its discussions and the proposals that have emerged.**

E. Cooperation with the Counter-Terrorism Committee and its Executive Directorate

95. There have been repeated calls for greater coordination between the 1267 Committee and the Counter-Terrorism Committee, particularly with regard to their reporting requirements and potential to share information. There is also scope for a better exchange between the Committees and their experts on the assistance needed by States to contribute more efficiently to the international effort against terrorism.

96. The Monitoring Team has held several meetings with the Counter-Terrorism Committee experts to establish points of convergence and synergy between them, in

particular in relation to threat assessment and the capacity-building needs of Member States. This has been particularly useful before and after attending conferences and country visits. **The Monitoring Team fully expects to develop this dialogue further as the new Counter-Terrorism Committee Executive Directorate establishes its agenda and priorities.** In the meantime the Monitoring Team will continue to share its experiences and coordinate its activities with the relevant Counter-Terrorism Committee experts. The Monitoring Team sees close cooperation with the Counter-Terrorism Committee, and the Executive Directorate as it develops, as an important element of Security Council work in the field of counter-terrorism.

F. Cooperation with other United Nations bodies

97. The Monitoring Team has held meetings with other groups such as the Monitoring Group established pursuant to resolution 1519 (2003) to investigate violations of the arms embargo on Somalia, and with the Panel of Experts established pursuant to resolution 1533 (2004) on the flow of arms to the Democratic Republic of the Congo and other countries in violation of the arms embargo. The Monitoring Team has also established a link with various members of the United Nations Office for Drugs and Crime and intends to work with other bodies within the United Nations system with relevance to its mandate.

G. Country profile database

98. Concurrent with visits to Member States and analysing their reports, the Monitoring Team has begun to develop, with the assistance of the Secretariat, a country profile data base on each of the 191 Member States to record what is being done to implement the sanctions measures. This information will also include further contributions from Member States with regard to the national threat from Al-Qaida, and their needs for technical assistance. It is hoped that the data base may include relevant work across the United Nations community, and be available to the Counter-Terrorism Committee Executive Directorate, other panels of experts and relevant subsidiary bodies of the United Nations.

H. Conferences and seminars

99. Members of the Monitoring Team have attended and made presentations at several conferences on countering the financing of terrorism. This has helped the Team to expand its knowledge of what is being done globally to introduce financial regimes capable of supporting the implementation of the financial assets freeze. These meetings have also provided an opportunity to raise awareness of the aims of the 1267 Committee and the Team.

I. Case studies

100. The Monitoring Team intends to conduct case studies based on instances of Al-Qaida evasion of the sanctions regime, whether by managing to collect or move money, travel or acquire arms. These case studies should highlight the practical

difficulties in implementing the measures as well as show how Al-Qaida methodology is evolving to circumvent them. The Monitoring Team will conduct these case studies in close consultation with Member States.

VI. The second report

101. The Monitoring Team's second report, due by 15 December 2004, will continue its assessment of Member States' implementation of the measures, and of their effectiveness. It will make further recommendations for the refinement of the existing sanctions in the face of the evolving threat, based on consultations with Member States. It will also outline the Monitoring Team's work plan for the remainder of its mandate and preview the areas in which it will recommend new measures.

Annex

Frozen assets by country

Member State	Number of assets	Number of individuals and entities	Amount	Currency	Exchange rate (US$/unit)	Amount in US$	Comments
1 Albania	na	na	na			na	Reported as several bank accounts of a foreign individual and immovable property
2 Azerbaijan	1	1	40	US$	1.0000	40.00	Bank account for Benevolence International Foundation
3 Austria	1		4 000	US$	1.0000	4 000.00	Bank account
4 Bahrain	na	na	na			na	Letter dated 31.12.04 did not give details of assets frozen for an entity
5 Belgium	na	na	4 568	euro[a]	1.2032	5 496.22	Bank accounts, no further details provided
6 Bosnia and Herzegovina	na	na	7 994 026.02	KM[b]	1.2032	4 917 797.93	Bank account (1.175.026,02KM) & shares (6.819.00,00KM).
7 Canada	17	na	340 000	US$	1.0000	340 000.00	Bank accounts, no further details given
8 Egypt	1	1	na			na	Bank account of Revival of Islamic Heritage Society, but was later unfrozen
9 France	3	1	30 198.22	euro	1.2032	36 334.50	2 bank accounts for Global Relief Foundation. Authorities prevented the transfer of funds to Lajnat al Daawa al-Islamiyah.
10 Germany	10	na	4 935.75	euro	1.2032	5 938.69	No names of account holders given
11 Indonesia	5	2	not specified			na	Bank accounts of Imam Samudra & Dr Azhari bin Husin
12 Ireland	9	6	90 000	euro	1.2032	108 288.00	Bank accounts of 6 unspecified individuals
13 Italy	38	34	435 000	euro	1.2032	523 392.00	Bank accounts, insurance policies, and investment funds are reported frozen nb.
						-	Inconsistency in reports
14 Japan	4	na	600 000.00	US$	1.0000	600 000.00	As reported to CTC (S/2001/1306)
15 Kazakhstan	na	1	na			na	Report simply referred to financial assets of one individual
16 Liechtenstein	na	2	182 000	Swiss francs	0.7815	142 233.00	Not specified, but for two entities mentioned in CTC report Al Taqwa and Asat Trust
17 Morocco	1	1	na			na	Bank acount of listed person, Said Bahaji
18 Netherlands	1	1	2 763.21	euro	1.2032	3 324.69	Bank acount for Benevolence International Foundation
19 Norway	1	1	1 000	US$	1.0000	1 000.00	Bank account for Mullah Krekar
20 Pakistan	24	13	various	US$, pounds and rupees[c]		10 562 543.00	Various accounts for individuals and entities (approx.$387,965, £1086 Rs598,388,643)
21 Portugal	3	na	323.12	euro	1.2032	388.78	Bank accounts for Individuals
22 Saudi Arabia	41	11	5 679 400.00	US$	1.0000	5 679 400.00	Bank accounts for Individuals (7) and entities (4)
23 Spain	11	9	2 509 000.00	euro	1.2032	3 008 000.00	Ahmed Brahim and 8 others, accounts and credit cards frozen including
			29 593	pesetas[d]		213.65	Mohammed M M Naim
24 Sweden	na	6	1 200 000.00	SKr	0.1302	156 240.00	Assets of individuals (3) and entities (3)
25 Switzerland	82	na	34 000 000.00	Swiss francs	0.7815	26 571 000.00	Bank accounts for individuals and entities, inconsistency with 1390 report
27 Tunisia	na	3	na			na	Simply described as the property of terrorists
26 Turkey	1	1	2 000 000.00	US$	1.0000	2 000 000.00	For one person named Yasin El-Qadi
28 United Kingdom	na	na	334 428.14	pounds	1.8183	608 090.69	Likely to be bank accounts
29 United States	76	5	29 900 000	US$	1.0000	29 900 000.00	Entities associated with Al-Qaida and Taliban. Report also refers to $26.64 million having been released.
30 Yemen	1	1	5 900	riyal[c]	0.0054	31.94	Bank account of an individual

Notes

na = amount and/or nature of frozen assets were not specified.

Table does not include data from four Member States whose 1455 reports were marked confidential.

Sources of exchange rates

[a] Euro, Swiss franc and pound: Federal Reserve as of 30 July 2004.

[b] Bosnia and Herzegovina: derived from conversion rate of 1KM=1DM, euro zone conversion rate of 1DM=0.51129 euros to derive US$ value using Federal Reserve rates as of 30 July 2004.

[c] Pakistan and Yemen riyal: approximate rates as of 30 July 2004.

[d] Spanish pesetas: derived from conversion rate of 166.66 pesetas to 1 euro and then converted to US$ using Federal Reserve rates as of 30 July 2004.